

Medicaid Provider Rate Review Advisory Committee Meeting

Home and Community Based Services (HCBS) Waivers

March 17, 2017

9:00 AM – 1:00 PM

Facilitator – Lila Cummings

Presenters – Kate Davidson

Elizabeth Lopez

Kyle Butler (Optumas)

Gabriela Charles (Optumas)



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Agenda

Meeting Minutes Review

9:00 – 9:15 AM

Home and Community Based Services
(HCBS) Waivers Presentation

9:15 – 10:30 AM

Break

10:30 – 10:45 AM

HCBS Waivers Discussion
Stakeholder Comment

10:45 – 11:30 AM

11:30 AM – 12:45 PM

Next Steps

12:45 – 1:00 PM



Meeting Minutes Review



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HCBS Waivers



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2017 Analysis Report

As a reminder, in the May 1st Report, the Department will:

- present an analysis of the access, service, quality, and utilization of each service; and
- compare rates paid with available benchmarks

In order to assess whether payments are sufficient to allow for provider retention and client access and to support appropriate reimbursement of high-value services.

Recommendation discussions will take place this summer after the publication of the 2017 Analysis Report.



HCBS Waivers – Presentation

During today's meeting:

- The Department and Optumas (a contractor assisting in the rate comparison analysis) will present an overview of the HCBS Waiver Rate Comparison Analysis;
- The Department will provide an example of the access analysis;
- Members of the MPRRAC's HCBS Waivers Workgroup will lead a discussion with other committee members; and
- The MPRRAC and Department will take public comment from stakeholders regarding the HCBS Services under review.



HCBS Waivers – Presentation

Regarding the presentation of the HCBS Waiver Rate Comparison Analysis:

- Today's presentation will contain high-level rate comparison information for each HCBS Waiver.
- The 2017 Analysis Report will include rate comparisons at the waiver service level.



HCBS Waivers – General Information

On February 15th, the Department hosted a [Rate Review Information Sharing Session](#). During this meeting, the Department:

- Presented information on HBCS Waivers and waiver services; and
- Presented the planned methods for conducting rate comparison and access analyses.

Additional information regarding HCBS Waivers and waiver services can be found on the Department's [Long Term Services and Supports Training website](#) and the [Long Term Services and Supports – Benefits and Services Glossary website](#).



Rate Comparison



Rate Comparison

As discussed during the [February 15th Rate Review Information Sharing Session](#), comparator states were selected when they had:

- Fee-for-service HCBS Waiver programs;
- Similar service descriptions and target populations;
- Similar 1915(c) waiver authority; and
- Rate and unit definitions that could be cross-walked to Colorado's waiver services.



Rate Comparison

The five comparator states are:

- Connecticut
- Ohio
- Oklahoma
- Montana, and
- Utah





Health First Colorado Provider Rate Review

HCBS Waiver Services Rate Comparison Analysis

MARCH 17, 2017

NOTE: ALL FIGURES SHOWN ARE DRAFT

Base Data and Comparison Methodology

- **Compiled utilization for all HCBS services**
 - ✓ Summed reported service units in Colorado FFS HCBS data
 - ✓ Applied Incurred But Not Reported (IBNR) utilization adjustment
 - ✓ Removed certain codes not appropriate for comparison
- **Paid dollars less exclusions:**
 - ✓ FY 2015-16 net paid: \$700,992,340
 - ✓ IBNR adjusted base: \$702,131,276
- **Repriced using latest Colorado rates**
 - ✓ FY 2015-16: **\$713,253,013** (1.58% increase over base)
 - ✓ Copay and TPL dollars removed from all repriced amounts

Comparison Methodology (Continued)

- Percent of repriced dollars with a matching rate in each respective comparison state:
 - ✓ Connecticut: 98.47%
 - ✓ Ohio: 92.72%
 - ✓ Oklahoma: 96.46%
 - ✓ Utah: 96.22%
 - ✓ Montana: 98.57%
- The percentages above are higher than the Department is typically able to achieve, which increases the confidence level of the data

NOTE: Percentages shown above do not represent payment comparisons

Comparison Hierarchy

- Service descriptions were used to identify comparable rates
- Priority given to similar waivers/populations
 - ✓ When rates from multiple comparable waivers were available, the average was used
 - ✓ Services from all waivers were considered if a comparable waiver did not exist or did not offer the same service
- Tiered rates (Colorado's or another state's) were compared as weighted averages

Comparison Hierarchy (Continued)

- Resolved differences in billing unit definition when an exact match was not available
 - ✓ Direct: hours to 15-minute increments
 - ✓ Assumption-driven: days to 15-minute increments
- Final consideration was rate reasonableness
 - ✓ As long as service descriptions were similar, rate values were considered for comparison
 - ✓ Rates were only deemed unreasonable when:
 - The description indicated a difference in service
 - The unit of service was not possible to reconcile

Note: All figures are draft and subject to change.

Connecticut Comparison Results

Waiver	Colorado Repriced	Connecticut Repriced	Connecticut Match Rate	Payment Comparison Percentage
EBD	\$222,175,534	\$259,507,670	100.00%	85.61%
CMHS	\$31,606,513	\$43,236,251	100.00%	73.10%
BI	\$16,206,566	\$11,586,775	99.72%	139.87%
SCI	\$512,003	\$563,460	83.91%	90.87%
CHCBS	\$12,877,124	\$14,953,208	100.00%	86.12%
CWA	\$274,089	\$440,556	58.63%	62.21%
CLLI	\$80,631	\$166,996	12.27%	48.28%
DD	\$330,767,547	\$389,252,326	99.92%	84.98%
SLS	\$50,600,100	\$108,889,956	97.79%	46.47%
CES	\$13,645,671	\$14,652,567	67.70%	93.13%
CHRP	--	--	--	--
TCM*	\$23,578,482	\$36,638,019	100.00%	64.36%
Total	\$702,324,259	\$879,887,785	98.47%	79.82%

* TCM is a state plan benefit, not a waiver



Note: All figures are draft and subject to change.

Ohio Comparison Results

Waiver	Colorado Repriced	Ohio Repriced	Ohio Match Rate	Payment Comparison Percentage
EBD	\$222,175,534	\$226,951,107	100.00%	97.90%
CMHS	\$31,606,513	\$39,249,653	100.00%	80.53%
BI	\$1,005,804	\$955,730	6.19%	105.24%
SCI	\$512,003	\$489,364	83.91%	104.63%
CHCBS	\$11,808,447	\$12,838,536	91.70%	91.98%
CWA	--	--	--	--
CLLI	\$337,951	\$246,255	51.41%	137.24%
DD	\$330,767,547	\$199,698,180	99.92%	165.63%
SLS	\$49,494,934	\$50,372,579	95.65%	98.26%
CES	\$13,645,671	\$7,392,742	67.70%	184.58%
CHRP	--	--	--	--
TCM*	--	--	--	--
Total	\$661,354,404	\$538,194,146	92.72%	122.88%

* TCM is a state plan benefit, not a waiver



Note: All figures are draft and subject to change.

Oklahoma Comparison Results

Waiver	Colorado Repriced	Oklahoma Repriced	Oklahoma Match Rate	Payment Comparison Percentage
EBD	\$222,111,126	\$201,703,912	99.97%	110.12%
CMHS	\$31,579,836	\$35,054,669	99.92%	90.09%
BI	\$1,607,059	\$1,605,147	9.89%	100.12%
SCI	\$512,003	\$350,785	83.91%	145.96%
CHCBS	\$12,877,124	\$7,115,349	100.00%	180.98%
CWA	--	--	--	--
CLLI	\$269,635	\$234,868	41.02%	114.80%
DD	\$330,631,818	\$336,962,731	99.88%	98.12%
SLS	\$49,865,949	\$52,440,313	96.37%	95.09%
CES	\$14,942,321	\$12,086,537	74.13%	123.63%
CHRP	--	--	--	--
TCM*	\$23,578,482	\$23,400,195	100.00%	100.76%
Total	\$687,975,353	\$670,954,505	96.46%	102.54%

* TCM is a state plan benefit, not a waiver



Note: All figures are draft and subject to change.

Utah Comparison Results

Waiver	Colorado Repriced	Utah Repriced	Utah Match Rate	Payment Comparison Percentage
EBD	\$222,111,126	\$209,014,063	99.97%	106.27%
CMHS	\$31,579,836	\$38,934,531	99.92%	81.11%
BI	\$13,833,008	\$10,269,541	85.12%	134.70%
SCI	\$551,414	\$607,976	90.37%	90.70%
CHCBS	\$12,877,124	\$15,434,144	100.00%	83.43%
CWA	--	--	--	--
CLLI	\$120,561	\$239,978	18.34%	50.24%
DD	\$325,510,204	\$353,560,034	98.33%	92.07%
SLS	\$48,872,894	\$66,867,260	94.45%	73.09%
CES	\$7,229,116	\$6,986,523	35.86%	103.47%
CHRP	--	--	--	--
TCM*	\$23,578,482	\$30,212,251	100.00%	78.04%
Total	\$686,263,764	\$732,126,300	96.22%	93.74%

* TCM is a state plan benefit, not a waiver



Note: All figures are draft and subject to change.

Montana Comparison Results

Waiver	Colorado Repriced	Montana Repriced	Montana Match Rate	Payment Comparison Percentage
EBD	\$222,175,534	\$352,746,606	100.00%	62.98%
CMHS	\$31,606,513	\$85,945,159	100.00%	36.78%
BI	\$13,837,608	\$13,198,051	85.15%	104.85%
SCI	\$610,193	\$703,324	100.00%	86.76%
CHCBS	\$11,808,447	\$12,448,505	91.70%	94.86%
CWA	--	--	--	--
CLLI	\$406,207	\$345,626	61.79%	117.53%
DD	\$331,031,047	\$422,788,481	100.00%	78.30%
SLS	\$50,350,501	\$76,190,150	97.30%	66.09%
CES	\$17,671,167	\$20,119,050	87.67%	87.83%
CHRP	--	--	--	--
TCM*	\$23,578,482	\$23,746,864	100.00%	99.29%
Total	\$703,075,699	\$1,008,231,816	98.57%	69.73%

* TCM is a state plan benefit, not a waiver



Estimated Total Funds Impact*

HCBS Services Comparison Results	Colorado	Connecticut	Ohio
Colorado as a Percentage of Comparison Amount	100.00%	79.82%	122.88%
Colorado Repriced Amount	\$713,253,013	\$702,324,259	\$661,354,404
Comparison Repriced Amount	\$713,253,013	\$879,887,785	\$538,194,146
Estimated Change to FY 2015-16 Expenditures	--	\$177,563,526	\$(123,160,258)

* This is not a projection of future expenditures

Estimated Total Funds Impact*

HCBS Services Comparison Results	Oklahoma	Utah	Montana
Colorado as a Percentage of Comparison Amount	102.54%	93.74%	69.73%
Colorado Repriced Amount	\$687,975,353	\$686,263,764	\$703,075,699
Comparison Repriced Amount	\$670,954,505	\$732,126,300	\$1,008,231,816
Estimated Change to FY 2015-16 Expenditures	\$(17,020,848)	\$45,862,536	\$305,156,118

* This is not a projection of future expenditures.

Methodology: A Closer Look

- Base Data and Validations
- Repricing Validation
- Comparison Methodology

Base Data and Validations

- FY 2014-15 and FY 2015-16 FFS data
 - ✓ FY 2014-15 used for validation and adjustment purposes
 - ✓ Only FY 2015-16 was incorporated into the analysis in order to produce annualized results based on most recent experience
- Validation steps:
 - ✓ Optumas dollar totals matched Department dollar totals
 - ✓ Comparison with historical FFS HCBS data and state reports
 - ✓ Review of dual/commercial claims totals
- Raw paid dollar totals:
 - ✓ FY 2014-15: \$789,292,616
 - ✓ FY 2015-16: \$848,179,157

Incurred But Not Reported (IBNR) Adjustment

- Examined FY 2015-16 claims over time
 - ✓ Paid through November 15, 2016 (4.5 months of runout)
- Adjustment needed to avoid skewing results
 - ✓ Understatement of estimated impact resulting from rate comparison analysis
 - ✓ Changes in mix of waiver utilization
- Derived factors from FY 2014-15 FFS data
 - ✓ Paid through December 15, 2016 (17.5 months of runout)
 - ✓ Adjustment applied by waiver
 - ✓ Potential for application by service type

IBNR Adjustment (Continued)

Waiver	IBNR Dollar Adjustment	Waiver	IBNR Dollar Adjustment
EBD	\$416,369	DD	\$261,708
CMHS	\$100,630	SLS	\$107,642
BI	\$15,282	CES	\$66,188
SCI	\$1,959	CHRP	\$3,452
CHCBS	\$671	TCM*	\$161,937
CWA	\$3,098		
CLLI	--	Total	\$1,138,937

*TCM is a state plan benefit, not a waiver

These dollars were added as an upward adjustment to complete the FY 2015-16 base claims data

Repricing Validation

- Validated the 1915(c) Appendix J information used in rate comparison analysis
 - ✓ Connecticut: 11 waivers
 - ✓ Ohio: 6 waivers
 - ✓ Oklahoma: 8 waivers
 - ✓ Utah: 8 waivers
 - ✓ Montana: 6 waivers

Repricing Validation (Continued)

- Application of this information was consistent with past methodology
 - ✓ Services matched according to description, billing unit definition, rate reasonableness, and waiver type
 - ✓ Discrepancies in unit definition sometimes resolved through conversion, both direct and assumption-driven

Removed Codes

- Services paid at \$1.00/unit
 - ✓ 15 procedure codes
 - ✓ Accounted for \$6,447,035, 0.76% impact
- Services with \$2,000.00 cap
 - ✓ Procedure codes A9900 and T2038
 - ✓ Accounted for \$3,271, negligible impact
- Codes reimbursed under CDASS delivery model
 - ✓ Procedure codes T2025 and T2040
 - ✓ Accounted for \$103,460,102, 12.20% impact

Removed Codes (Continued)

- Invalid case management claims
 - ✓ Procedure code T1017, with modifiers aside from U4 only
 - ✓ Accounted for \$656,190, 0.08% impact
- Negotiated rates
 - ✓ 6 procedure codes
 - ✓ Accounted for \$32,740,488, 3.86% impact
- Public Utility Commission controlled rate
 - ✓ Procedure code A0100
 - ✓ Accounted for \$3,426,809, 0.40% impact

Removed Codes (Continued)

- Invalid Supported Living Program services
 - ✓ Procedure code T2033, with invalid provider IDs
 - ✓ Accounted for \$452,922, 0.05% impact

Access Analysis



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Access Analysis

The handout “Preliminary Year Two HCBS Waivers Access Analyses” contains data for five access-related metrics:

- Client counts
- Provider counts
- Units per client
- Units per provider, and
- Average clients per provider

Information is provided for two state fiscal years, FY 2014-15 and FY 2015-16 (state fiscal years run from July 1st through June 30th). The year over year percent change (YoY% Change) is also provided in the handout.



Access Analysis Example

The following slides contain a brief explanation of the sort of analysis the Department will conduct when examining the five access-related metrics.

Job Coaching, one of the waiver services available on the SLS Waiver, is used here as an example.



Access Analysis

SLS Waiver: Job Coaching

Step 1: Examine changes in client counts to identify trends.

SLS Waiver - Job Coaching Services			
Metric	FY 2014-15	FY 2015-16	YoY% Change
Client Count	826	933	12.95%
Provider Count	62	66	6.45%
Units per Client	837.79	835.44	-0.28%
Units per Provider	11,161.52	11,810.11	5.81%
Average Clients per Provider	13	14	6.11%

Note: All figures are draft and subject to change.

Access Analysis

SLS Waiver: Job Coaching

Step 2: Examine changes in units per client to identify trends.

SLS Waiver - Job Coaching Services			
Metric	FY 2014-15	FY 2015-16	YoY% Change
Client Count	826	933	12.95%
Provider Count	62	66	6.45%
Units per Client	837.79	835.44	-0.28%
Units per Provider	11,161.52	11,810.11	5.81%
Average Clients per Provider	13	14	6.11%



Access Analysis

SLS Waiver: Job Coaching

Step 3: Examine changes in provider count to identify trends.
(The Department can also examine the average number of clients per provider)

SLS Waiver - Job Coaching Services			
Metric	FY 2014-15	FY 2015-16	YoY% Change
Client Count	826	933	12.95%
Provider Count	62	66	6.45%
Units per Client	837.79	835.44	-0.28%
Units per Provider	11,161.52	11,810.11	5.81%
Average Clients per Provider	13	14	6.11%

Note: All figures are draft and subject to change.

Access Analysis

SLS Waiver: Job Coaching

Step 4: Examine changes in units per provider to identify trends.

SLS Waiver - Job Coaching Services			
Metric	FY 2014-15	FY 2015-16	YoY% Change
Client Count	826	933	12.95%
Provider Count	62	66	6.45%
Units per Client	837.79	835.44	-0.28%
Units per Provider	11,161.52	11,810.11	5.81%
Average Clients per Provider	13	14	6.11%



Additional Access Related Metric

The Department explored the possibility of measuring the percent of authorized units utilized. The Department was unable to ensure that preliminary results were accurate and continues to explore the feasibility of compiling this metric.



MPRRAC Discussion



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Placeholder for HCBS Waiver Workgroup slides.

Public Comment from Stakeholders



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Next Steps



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Comments or Questions

- Contact Lila Cummings with additional questions between meetings: Lila.Cummings@state.co.us.

